

## Message Text

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PAGE 01 COPENH 06200 150804Z  
ACTION EUR-12

INFO OCT-01 ISO-00 ACDA-12 MCE-00 OMB-01 TRSE-00 EB-08  
ITC-01 COME-00 CIAE-00 DODE-00 PM-05 H-01 INR-07  
L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15  
USIA-06 /081 W

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R 141550Z OCT 77  
FM AMEMBASSY COPENHAGEN  
TO SECSTATE WASHDC 5290  
INFO AMEMBASSY ANKARA  
AMEMBASSY BONN  
AMEMBASSY BRUSSELS  
AMEMBASSY DUBLIN  
AMEMBASSY THE HAGUE  
AMEMBASSY LISBON  
AMEMBASSY LONDON  
AMEMBASSY LUXEMBOURG  
USMISSION NATO  
AMEMBASSY OTTAWA  
AMEMBASSY PARIS  
AMEMBASSY REYKJAVIK  
AMEMBASSY ROME

C O N F I D E N T I A L COPENHAGEN 6200

E.O.: 11652: GDS  
TAGS: PFOR, EEC, ETRD, MTN  
SUBJ: EC TREATMENT OF TARIFFS ON IMPORTED MILITARY EQUIPMENT

REFS: (A) STATE 243466, (B) COPENHAGEN 5717

1. PER REF (A) WE MADE A "QUIET ENQUIRY" AT THE MINISTRY OF  
FOREIGN AFFAIRS TO ASCERTAIN CURRENT DANISH VIEWS ON THE EC  
TREATMENT OF TARIFFS ON IMPORTED MILITARY EQUIPMENT. THE OF-  
FICIAL RESPONSIBLE STATED THAT DENMARK LOOKS AT THE MATTER  
IN THE FOLLOWING TERMS.

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2. F-16 PROGRAM. DENMARK DOES NOT WANT TO PAY DUTIES ON IM-  
PORTED F-16 COMPONENTS. ITS PUBLIC POSITION IS THAT IT WILL  
SUPPORT INITIATIVES OF OTHER EC COUNTRIES DESIGNED TO ACCOM-  
PLISH THIS OBJECTIVE.

3. EC COMMISSION'S INTERPRETATION OF ARTICLE 223 OF THE

TREATY OF TOME.

WHILE DENMARK WILL PUBLICLY SUPPORT INITIATIVES THAT WOULD RELIEVE IT FROM PAYMENT OF DUTIES ON DEFENSE IMPORTS, IT NEVERTHELESS BELIEVES PRIVATELY THAT THE COMMISSION'S INTERPRETATION OF ARTICLE 223 IS CORRECT AND THAT THIS INTERPRETATION WOULD BE UPHELD IF SUBMITTED TO THE EUROPEAN COURT OF JUSTICE.

4. COUNCIL DECISION TO SUSPEND DUTIES UNDER ARTICLE 28. - THE DANES DO NOT BELIEVE THAT THE COUNCIL CAN ACHIEVE THE UNANIMITY NECESSARY FOR SUSPENSION OF THE DUTIES. THE DANES POINT OUT THAT THE MAIN CRITERION FOR SUCH SUSPENSION IS THAT IT NOT HAVE A HARMFUL EFFECT ON ANY OTHER MEMBER'S INDUSTRY. THE FRENCH, THEY SAY, ARE HIGHLY UNLIKELY TO AGREE THAT LOSS OF PROTECTION ON DEFENSE IMPORTS, LIKE THOSE INVOLVED IN THE F-16 PROGRAM, WOULD NOT BE HARMFUL TO FRENCH INDUSTRY.

5. IMPLICATIONS FOR BILATERAL UNDERSTANDINGS. - THE DANES REALIZE THAT COMMISSION'S INTERPRETATION OF ARTICLE 223 CAN IMPEDE "TWO-WAY STREET" OPERATIONS LIKE THOSE COVERED BY THE U.S.-U.K. MOU. BECAUSE THE DANES BELIEVE THAT THE COMMISSION'S INTERPRETATION WILL PREVAIL, THEY REASON THAT TARIFF IMPEDIMENTS IN THE DEFENSE AREA CAN PROBABLY BE REMOVED ONLY THROUGH SOME KIND OF UNDERSTANDING WITH THE EC AS A WHOLE  
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AND NOT THROUGH BILATERAL MOU'S WITH SEPARATE EC MEMBERS.

6. COMMENT. AS THE DANES HAVE GONE DEEPER INTO THE MATTER, THEY HAVE BECOME MORE RESIGNED REGARDING THE EC COMMISSION'S INTERPRETATION THAN THEY WERE EARLIER (REF B). THE DANES ARE NOT YET RULING OUT THE POSSIBILITY THAT SOME KIND OF POLITICAL CIRCUMVENTION MIGHT BE FOUND AND HAVE TOLD THEIR EC MISSION IN BRUSSELS TO BE ALERT TO SUCH POSSIBILITIES. THEY ARE NOT OPTIMISTIC, HOWEVER THAT THIS KIND OF SOLUTION WILL BE FOUND.  
DEAN

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## Message Attributes

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**Disposition Approved on Date:**  
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**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
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**To:** STATE  
**Type:** TE  
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